



DEPARTMENT OF THE NAVY
NAVAL AIR WARFARE CENTER TRAINING SYSTEMS DIVISION
12350 RESEARCH PARKWAY
ORLANDO, FLORIDA 32826-3275

IN REPLY REFER TO:

J&A_11_3886

**JUSTIFICATION AND APPROVAL
FOR USE OF OTHER THAN FULL AND OPEN COMPETITION**

1. Contracting Activity.

Naval Air Warfare Center Training Systems Division (NAWC-TSD) - Orlando, FL

2. Description of the Action Being Approved.

This justification and approval authorizes and approves on a sole source basis a new Cost Plus Fixed Fee SBIR phase III contract, with the Phase II OEM, Pathfinder Systems Industries, 5525 W. 56th Avenue, Suite 400, Arvada, CO 80002-2804. This effort will deliver an Operational Prototype with an estimated delivery of 26 months after contract award (MACA), at an estimated cost of \$6.8M [REDACTED]. Priced options include increase in training capability (adds UH-1Y training capability), estimated at \$.9M [REDACTED] and 2 Months of Contractor Field Services (CFS), estimated at \$.030M [REDACTED]. The estimated cost for the Operational Prototype including the UH-1Y Option and CFS is \$7.7M. Pathfinder will provide the necessary labor, materials, and travel needed to meet the requirements.

3. Description of Supplies/Services.

Produce and deliver the Phase III SBIR Operational Prototype Marine Common Aircrew Trainer-Prototype 2 (MCAT-P2) to Marine Corps Air Station (MCAS) Miramar, California. This effort is based on SBIR Topic N03-190 "Helicopter Operations Aircrew/Crew Chief Trainer" specifically the Pathfinder Systems Inc. Phase II effort "Marine Common Aircrew Trainer Prototype" and is an extension to Pathfinder's previous efforts related to their SBIR Phase II activities. This SBIR Phase III project will implement a baseline configuration upgrade based on the previously delivered MCAT-Prototype 1 and will build upon previously demonstrated and delivered Phase II simulation technologies. Phase II technologies related to this topic include: visual system integration with a cabin and screen structure; a near spherical projection system solution, utilizing commercial projectors to provide seamless projection of the virtual world while employing techniques to eliminate gun and crew shadows; and use of high-performance, low-cost commercial projectors integrated with a method of rapid projection field alignment and geometric and color calibration. Specific requirements include: upgrading the Visual Display System; implementing the capability to use stimulated Night Vision Goggles (NVG) for training assessment activities; implementation of MV-22 training into the existing CH-53E Enlisted Aircrew Training capability; training assessment activities; and delivery of an integrated containerized operational prototype with dual platform training capability. Included as priced options: Implementation of UH-1Y training capability into the CH-53E and MV-22 Enlisted Aircrew capability and 2 Month period of Contractor Field Services (CFS) support, following completion of acceptance testing. The completion date is estimated to be 24 Months from Contract Award followed by 2 Months of Contractor Field Services [REDACTED] for a total of 26 months, if the UH-1Y Option is

not exercised. However, if the UH-1Y Option capability is exercised, the delivery will be extended to 30 Months from Contract Award, including 2 months of CFS [REDACTED].

4. Statutory Authority Permitting Other Than Full and Open Competition.

10 U.S.C. 2304(c) (5), Authorized or required by statute.

5. Rationale Justifying Use of Cited Statutory Authority.

In accordance with Department of Defense policy set forth in the SBIR Contracting & Payment Desk Reference, Section 13, paragraph B, awarding SBIR Phase III contracts on a sole source basis is authorized under 10 U.S.C. 2304(b)(2) or 41 U.S.C. 253(b)(2). The PH I and PH II contracts were competitively awarded and this effort derives from, extends, and logically concludes the research conducted as part of the previous contracts.

6. Description of Efforts Made to Solicit Offers from as Many Offerors as Practicable.

N/A. From (5.) above: The competition for SBIR Phase I and Phase II awards satisfies any competition requirement when processing Phase III awards. Therefore, an agency is not required to conduct another competition in order to satisfy any statutory provisions for competition.

7. Determination of Fair and Reasonable Cost.

The negotiation and establishment of a fair and reasonable price will be conducted in accordance with FAR 15.4. As noted in FAR 15.402 the Contracting Officer must purchase all supplies and services at a fair and reasonable price. Based upon historical cost data from the performance of previous SBIR Phase I, II and III efforts, the Contracting Officer has adequate information and background to determine a fair and reasonable price. The Contracting Officer will consider historical cost and pricing information in addition to performing cost and price analysis for this requirement in order to negotiate a fair and reasonable price. Historical information is relevant due to expected economic efficiencies based on the contractor's experience developing the MCAT P1 prototype. It is anticipated that non-recurring development and engineering costs will be significantly reduced. Performing cost and price analysis unique to this requirement is also important since there are significant differences between the non-containerized CH-53E prototype and the new prototype that will integrate MV-22 and UH-1Y if option is exercised, and helicopter platforms into a single containerized training device. In addition, the Contracting Officer will pay particular attention to proposed subcontracting and vendor arrangements from the perspective of ensuring the negotiated fee levels of the prime contractor in relation to the subcontracted efforts are commensurate with the integration risks anticipated to be borne by the prime contractor.

8. Actions to Remove Barriers to Future Competition.

The SBIR Phase III approach has been selected since this requirement utilizes Technical Data covered by SBIR Rights developed under previous SBIR Phase I, II and III efforts. In accordance with DFARS 252.227-7018(b)(4) the restrictions on when the Government may release or disclose SBIR data ends five years after completion of the project from which such data were generated. Upon the expiration of SBIR Data Rights all barriers to future completion will be eliminated.